

## **JV AGREEMENT TEMPLATE**

### **(13 CFR 124.513 (c)(1)): A provision sets forth the purpose of the JV.**

1.0 Purpose. The purpose of the Venture shall be to bid upon RFP (RFP number) and, if successful, to enter into and consummate that certain (specify type of services) services for (department/agency name) for the base period of the contract, and options, totaling not more than (number) months from contract award date.

### **(13 CFR 124.513 (c)(2)): A provision designating an 8(a) Participant as the Managing Venturer.**

2.0 Project Manager. (Name) has been selected as the Project Manager for this contract and is an employee of 8(a) participant firm's name). (He/she) shall be responsible for contract performance, overseeing the job-site, reporting to and implementing the instructions of the Managing Director, preparing a daily written log detailing all developments and aspects of the job, and submitting such log to the Managing Director at his request.

### **(13 CFR 124.513 (c)(3)): A provision stating that not less than 51 percent of the net profits earned by the JV shall be distributed to the 8(a) participant.**

3.0 Distributive Share. The net operating income and net operating loss of the venture shall be allocated between and shared by the venturers in proportion to their Percentage Ownership Interests, as set forth in Section 4.0.

4.0 Percentage Ownership. Each venturer's respective interest in the Venture (hereinafter called "Percentage Ownership Interest") is (8(a) participant firm's name) – (ownership percentage) and (partnering firm's name) - (ownership percentage).

**(13 CFR 124.513 (c)(4): A provision providing for the establishment and establishment of a special bank account.**

5.0 Bank Accounts. The operating account ("Operating Account") shall be at (bank name) Bank. The operating capital account shall be established in the name of the venture, (8(a) participant firm's name) AND (partnering firm's name) TRADING AS (joint venture's name) joint venture. All receipts of the venture shall be deposited into its Operating Account. All checks drawn on the Operating Account will require two (2) signatures, one from each joint venturer. Each joint venturer may designate the person or persons who may sign on its behalf.

**(13 CFR 124.513 (c)(5)): A provision itemizing all major equipment, facilities, and other resources to be furnished by each party to the joint venture, with a detailed schedule of cost or value each.**

6.0 Equipment. Upon award of the contract identified in section 1.0 Purpose, above, the Managing Director will purchase, in the name of the joint venture, facilities and equipment for the proper operation of this contract. A detailed cost for all major equipment facilities and other resources are as follows:

**(13 CFR 124.513 (c)(6)): A provision specifying the responsibilities of parties with regard to contract performance, source of labor and negotiation of the 8(a) contracts.**

7.0 Contract Oversight. Either venturer will have the right to visit the contract site to evaluate the contract performance.

8.0 Source of Labor The venture will allow the current labor employees of (8(a) participant firm's name) the first right to refuse employment during the pre-performance phase of the contract. During the pre-performance phase of the contract and twice per year thereafter, the venture will run classified advertisements offering opportunities to complete applications for employment with the venture. This will create and maintain a labor pool that will be utilized when new hires are required.

9.0 Negotiating 8(a) Contract (Name) will be responsible for negotiating the original 8(a) contract, should negotiations be required by the (department/agency) name, and any subsequent negotiations required by the (department/agency) name.

**(13 CFR 124.513 (c)(7)): A provision obligating all parties to the joint venture to ensure performance of the 8(a) contract and to complete performance despite the withdrawal of any member.**

10.0 Ensured Performance. (8(a) participant firm's name) and (partnering firm's name) are obligated to ensure performance of the 8(a) contract and to complete performance despite the withdrawal of any party to the joint venture.

**(13 CFR 124.513 (c)(8)): A provision designating that accounting and other administration records relating to the JV shall be kept in the office of the managing venturer, unless approval to keep them elsewhere is granted by the District Director or his/her designee upon written request.**

11.0 Books. Accounting and other administrative records including the venture's books, and any other records relating to the joint venture shall be kept and maintained at the office of (8(a) participant firm's name), with duplicate copy kept at the office of (partnering firm's name). Each venturer shall during regular business hours have access to and may inspect and copy any and all such books and records. The Project Manager shall promptly send to each venturer copies of all reports, correspondence, documents and other information sent or received by the venture. SBA shall have authority to inspect the records of the venture at any reasonable deemed necessary time.

**(13 CFR 124.513 (c)(9): A provision requiring the final original records be retained by the managing venturer upon completion of the 8(a) contract performed by the joint venture.**

11.0 Books. Accounting and other administrative records including the venture's books, and any other records relating to the joint venture shall be kept and maintained at the office of (8(a) participant firm's name).

**(13 CFR 124.513 (c) (10)): A provision stating that quarterly financial statements showing cumulative contract receipts and expenditures (including salaries of the JV's principals) must be submitted to SBA no later than 45 days after each operating quarter of the JV.**

12.0 Quarterly Financial Statements showing cumulative contract receipts and expenditures (including salaries of the joint venture principals) which shall be submitted to SBA not later than forty-five (45) days after each operating quarter.

**(13 CFR 124.513 (c) (11)): A provision stating that a project-end profit and loss statement including a statement of final profit distribution must be submitted to SBA no later than 90 days after completion of the contract.**

13.0 Within forty-five (45) days after the end of each fiscal year, an audited balance sheet prepared as of the close of such fiscal year, and an audited summary of (name of joint venture) receipt and disbursements for the period ended.

**(13 CFR 124.513(d)): Performance of work**

14.0 Specific Responsibilities. (8(a) participant firm's name) shall perform, at a minimum, fifty-one percent (51%) of the total dollar amount of the labor portion of the project, consisting of custodial and management personnel staff. (Partnering firm's name) shall perform at a maximum of forty-nine (49%) of the total dollar amount of the labor portion of the project.

**(13 CFR 124.513(e)): Prior approval by SBA**

15.0 SBA must approve this joint venture prior to award of the subject 8(a) contract on behalf of the joint venture.

**13 CFR 124.513(f): Contract execution**

16.0 Subject to SBA, U.S. Department of (agency) will execute an 8(a) contract in the name of (8(a) participant firm's name) and (partnering firm's name), Inc. trading as (joint venture name) joint venture.

**(13 CFR 124.513(g)): A provision specifying that the amendments to an approved JV shall be subject to prior approval by SBA.**

17.0 Integrated Agreement. Any changes to this agreement shall be by an executed writing and all changes to this agreement shall be approved by the SBA.

**(12 CFR 124.513 (h)): SBA shall have the right to inspect the records of the JV at any time without prior notice.**

18.0 SBA shall have authority to inspect the records of the venture at any reasonable deemed necessary time.

19.0 Other provisions not previously discussed.